Business Investment Corporation

Activity Plan

2014 - 2017

Newfoundland Labrador

Innovation, Business and Rural Development

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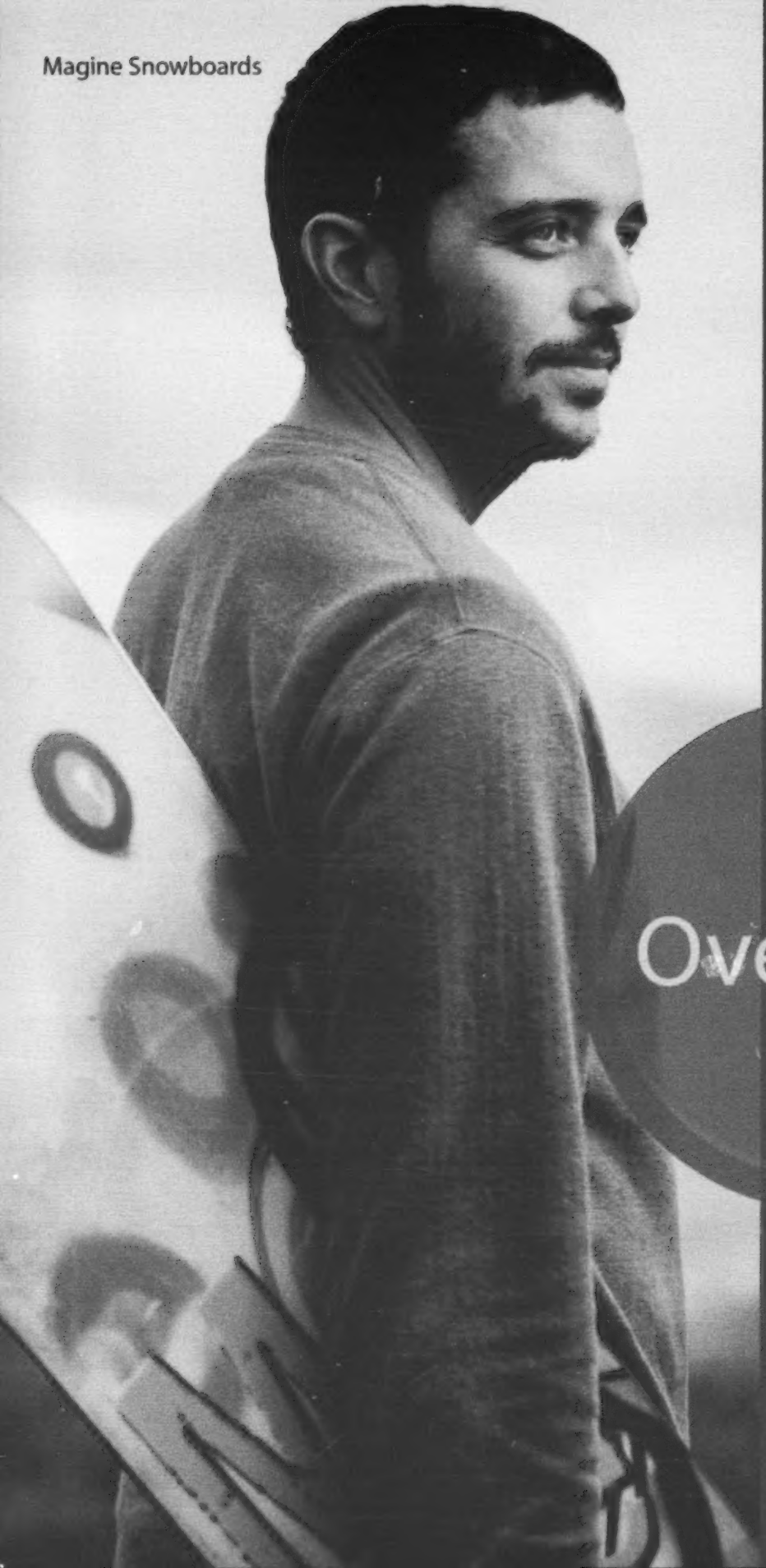
Message from the Chair

As Chair of the Business Investment Corporation's Board of Directors, I am pleased to present the Board's 2014-2017 Activity Plan. In accordance with the *Transparency and Accountability Act*, this activity plan was prepared under the direction of the Board which is accountable for the achievement of the objectives outlined herein.

The Board of the Business Investment Corporation is classified as a Category 3 Entity under the *Transparency and Accountability Act*. This means the Board must prepare an activity plan that clearly outlines the activities it will undertake in the timeframe allotted, which is within its mandate and current budget, and takes into consideration the strategic directions of the Provincial Government.

Sincerely,

Fred Drover
Chairperson
Business Investment Corporation



Overview

The Business Investment Corporation (the Corporation) operates as a Crown Agency reporting to the Minister of Innovation, Business and Rural Development. It was established on the authority of the *Business Investment Corporation Act*, April 1, 2002.

The Corporation provides financing and directs the management of its investment and loan portfolio. It administers new investments made through the Business Investment Fund, the Business Development Support Program and the Fisheries Loan Guarantee Program (in partnership with the Department of Finance).

The affairs of the Corporation are managed by an independent Board of Directors (the Board) appointed by the Lieutenant-Governor in Council. The Board exercises all of the powers and duties of the Business Investment Corporation and administers and manages its business. It meets as necessary in order to fulfil this mandate. A sub-committee of the Board, the Business Investment Management Committee, meets bi-weekly or at the call of the Chair.

The Board has delegated authority to Regional Directors of the Department of Innovation, Business and Rural Development to render decisions on accounts in which total funding outstanding does not exceed $150,000. Similarly, the Business Investment Management Committee has the authority to render decisions on accounts that exceed the regional limits, up to $500,000. Full Board approval is required on accounts in excess of $500,000.

The Department of Innovation, Business and Rural Development provides administrative support to the Corporation, as the Board does not employ its own staff. Departmental staff receives, evaluates, and, depending on the delegated authority outlined above, makes decisions under all programs administered by the Corporation. Departmental staff also manages the accounting, billing, accountability and other administrative activities of the Corporation. They manage and monitor revenue forecasts and collections as well as maintain accounting records for the province-wide portfolio of loans, equity and grants.

The Board does not have a budget allocation. Funding for the Board's programs is provided through the budget of the Department of Innovation, Business and Rural Development.

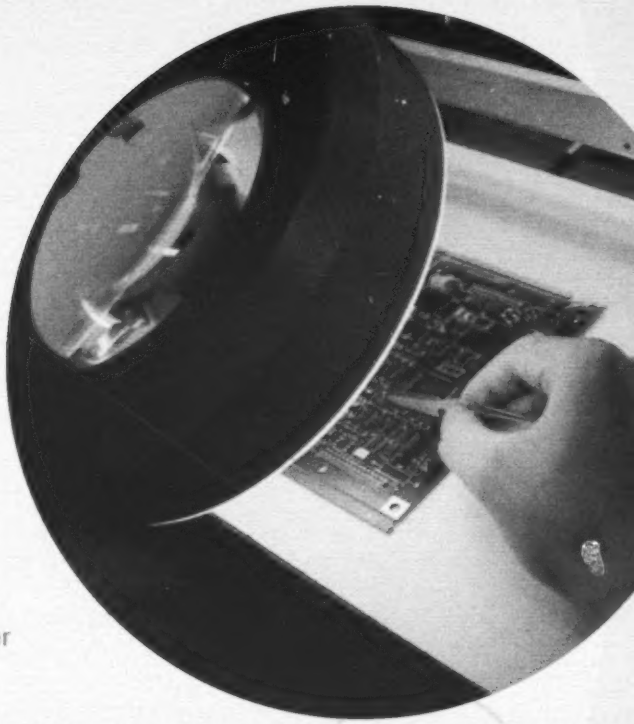
Mandate

The Corporation's mandate is to direct the management of the investment portfolio of the Department and to administer new investments made by virtue of three funding programs: the Business Investment Fund, the Business Development Support Program and the Fisheries Loan Guarantee Program (in partnership with the Department of Finance).

Legislative authority for the Business Investment Corporation resides in the *Business Investment Corporation Act*. The Corporation, as provided for in the Act, is responsible for:

"... making available and managing investments in small to medium-sized private businesses, co-operatives, community development corporations and other enterprises for the purpose of creating employment opportunities for the people of the province."

Values



The core values explain the character of the organization we promote and the action statements guide behavior. The core values which guide the behavior of the Board of Directors of the Corporation are as follows:

Effectiveness	Each person makes informed decisions in a timely and professional manner.
Responsiveness	Each person builds relationships of trust and collaboration with other Board members.
Communication	Each person takes initiative to promptly share information with other Board members in support of the Corporation's mandate.

Primary Clients

The primary clients of the Business Investment Corporation are local small and medium-sized enterprises and entrepreneurs around the province. The Corporation's primary responsibility is to its clients, analyzing and rendering decisions on applications in a timely and efficient manner and, when appropriate, providing funding to those clients to help start and grow small and medium-sized businesses. The Corporation also has a responsibility to clients through the ongoing management of client accounts, which continues for the life of the investment.

Vision

The vision of the Department of Innovation, Business and Rural Development is of a vibrant, diverse, and sustainable economy with productive and prosperous regions throughout the province.

The work of the Board supports the vision of the Department of Innovation, Business and Rural Development. Through the Business Investment Corporation, the Board provides investments that contribute to a diversified and competitive economy in all regions.

Mission

The mission of the Department of Innovation, Business and Rural Development is as follows:

> By 2017, the Department of Innovation, Business and Rural Development will have stimulated economic and business development to foster regional and provincial prosperity.

Because of the nature of the entity and the activities carried out, the development of a mission statement is unnecessary and the board will adopt the mission statement of IBRD.

The work of the Board supports the mission of the Department of Innovation, Business and Rural Development. Through the Business Investment Corporation, the Board provides investments that contribute to economic and business development throughout the province.

Board's Objectives

The Board of Directors of the Business Investment Corporation has the authority to render decisions pertaining to the Business Investment Fund, the Business Development and Support Program and the Fisheries Loan Guarantee Program (in partnership with the Department of Finance).

The Board has two primary functions that will represent the focus of the Board's work over the next three years, namely the administration of new investments and the management of its investment portfolio, in consideration of the Provincial Government's strategic directions as well as the mandate and financial resources of the Business Investment Corporation.

The Board intends to report on these objectives each fiscal year through the Board's annual reports, for each fiscal year of this plan (2014-2015, 2015-2016 and 2016-2017).

Administration of New Investments

Objective 1

By March 31, 2015 the Corporation will have provided funding toward the start-up and growth of small and medium-sized businesses.

Measure

Provided funding for the startup and growth of medium-sized businesses.

Indicator

- Number of applications reviewed for program assistance.
- Number and value of applications approved for each program.

Investment Portfolio Management

Objective 2

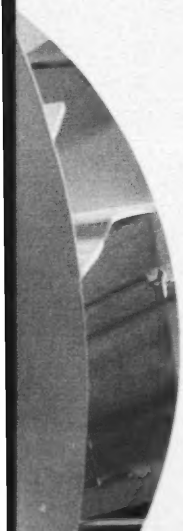
By March 31, 2015 the Corporation will have successfully managed its investment portfolio.

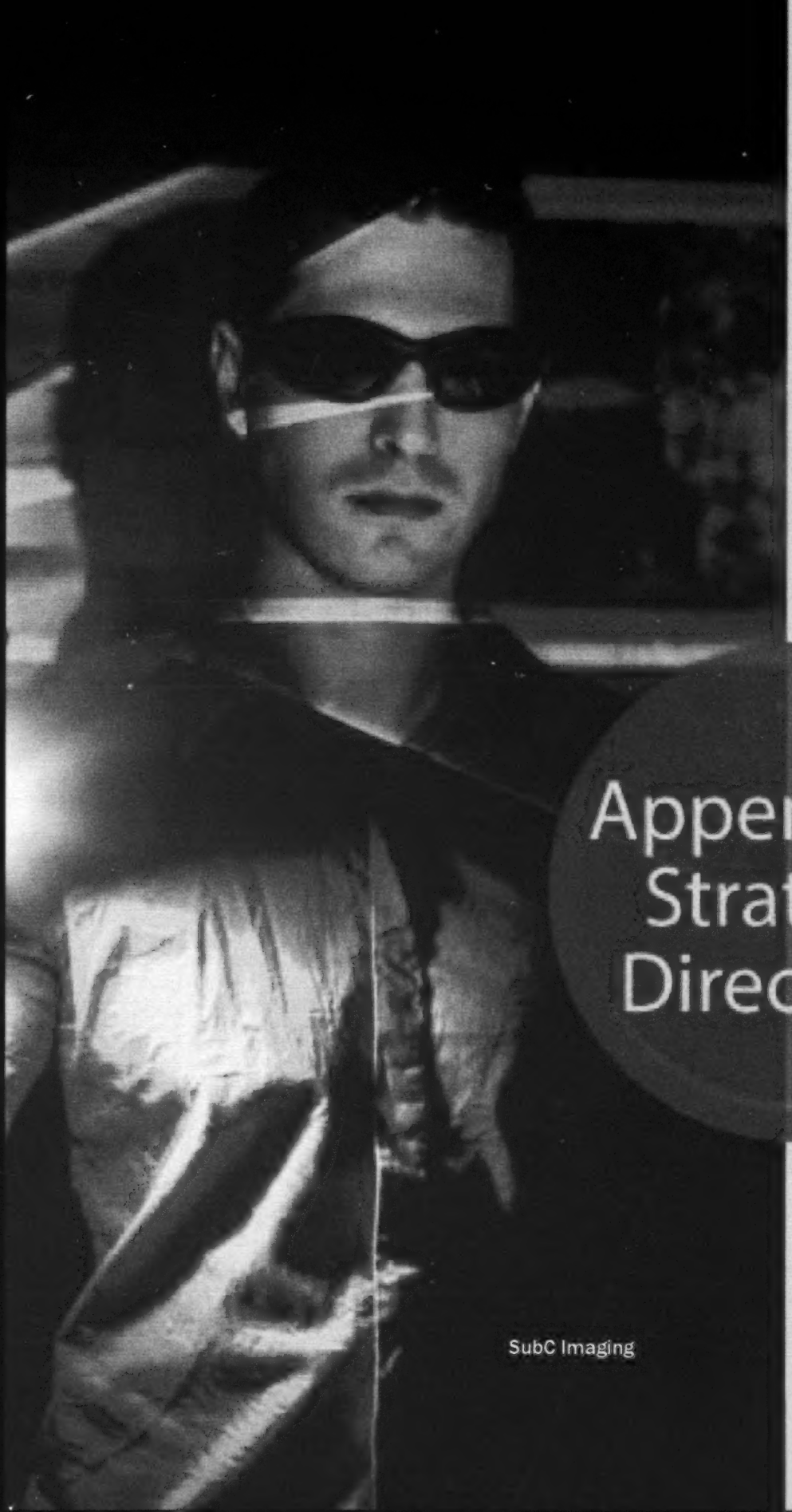
Measure

Successfully managed investment portfolio.

Indicator

- Percentage of projected annual revenues collected.





Appendix 1: Strategic Directions

SubC Imaging

Department of Innovation, Business and Rural Development

Strategic Directions related to the Department of Innovation, Business and Rural Development are provided below. They are generally broad and far-reaching, and normally require action by more than one Provincial Government entity to achieve. These directions are communicated by the Provincial Government through platform documents, throne and budget speeches, policy documents, and other communiqués. Each strategic direction comprises a number of components, or focus areas, that are addressed in either the strategic plan, operational plan or work planning processes of each Provincial Government entity.

Title: Regional Development, Business and Industry Support
Outcome: Diversified and strengthened regional economies

Components of Strategic Directions	This direction is:
	Addressed in the Board's activity plan
Business Development	X
Industry Development	
Partnership/Collaboration	
Capacity Building	
Entrepreneurship	

Title: Trade, Investment Development and Business Promotion
Outcome: Increased trade, investment development and business promotion

Components of Strategic Directions	This direction is:
	Addressed in the Board's activity plan
Trade Policy	
Trade Logistics	
Export Development	
Investment	X

To Obtain a Copy of This Plan:

Electronic
Website: www.gov.nl.ca/IBRD/publications

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